

2021 Performance Report

**Whakatohea Pre-Settlement Claims Trust
For the year ended 30 June 2021**

Prepared by Cookson Forbes & Associates Ltd

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Approval of Performance Report

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2021

The Trustees are pleased to present the approved performance report including the historical financial statements of Whakatohea Pre-Settlement Claims Trust for year ended 30 June 2021.

APPROVED



Chairman

Date 1/11/2021



Trustee

Date 1/11/2021



Independent Auditor's Report

To the beneficiaries of Whakatohea Pre-Settlement Claims Trust

Report on the audit of the performance report

Opinion

In our opinion, the accompanying performance report of Whakatohea Pre-Settlement Claims Trust (the 'Trust') on pages 6 to 15:

- i. Presents fairly in all material respects the Trust's financial position as at 30 June 2021 and its financial performance and cash flows for the year ended on that date;
- ii. Complies with PBE Simple Format Reporting Standard - Accrual (Not For Profit); and
- iii. Suitably reports the outcomes and outputs, and quantifies the outputs to the extent practicable, in the statement of service performance.

We have audited the accompanying performance report which comprise:

- The statement of financial position as at 30 June 2021;
- The statements of financial performance and cash flows for the year then ended;
- Notes, including a summary of significant accounting policies and other explanatory information; and
- The statement of service performance and entity information on page 6, 7 and 8.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'), and the audit of information PBE FRS 48 requires to be included in the statement of service performance, in accordance with the International Standard on Assurance Engagements (New Zealand) 3000 (Revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* ('ISAE (NZ) 3000'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the Trust in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) and ISAE (NZ) 3000 are further described in the auditor's responsibilities for the audit of the performance report section of our report.

Other than in our capacity as auditor we have no relationship with, or interests in, the Trust.



Other information

The Trustees, on behalf of the Trust, are responsible for the other information included in the entity's Statement of Service Performance. Our opinion on the performance report does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the performance report our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the performance report or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Use of this independent auditor's report

This independent auditor's report is made solely to the beneficiaries as a body. Our audit work has been undertaken so that we might state to the beneficiaries those matters we are required to state to them in the independent auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the beneficiaries as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Trustees for the performance report

The Trustees, on behalf of the Trust, are responsible for:

- The preparation and fair presentation of the performance report in accordance with generally accepted accounting practice in New Zealand (being PBE Simple Format Reporting Standard - Accrual (Not For Profit));
- Implementing necessary internal control to enable the preparation of a performance report that is fairly presented and free from material misstatement, whether due to fraud or error;
- The preparation of a statement of service performance that complies with the requirements of PBE FRS 48; and
- Assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the performance report

Our objective is:

- To obtain reasonable assurance about whether the performance report as a whole is free from material misstatement, whether due to fraud or error;
- Perform procedures to determine whether the service performance information required by PBE FRS 48 has been suitably reported in the statement of service performance; and
- To issue an independent auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this performance report.

A further description of our responsibilities for the audit of this performance report is located at the External Reporting Board (XRB) website at:

<https://www.xrb.govt.nz/assurance-standards/auditors-responsibilities/audit-report-16/>

This description forms part of our independent auditor's report.



KPMG
Tauranga

1 November 2021

Entity Information

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2021

'Who are we?', 'Why do we exist?'

Legal Name of Entity

Whakatohea Pre-Settlement Claims Trust

Entity Type and Legal Basis

Common Trust - Pre-settlement Entity

Entity's Purpose or Mission

The primary purpose of the Trust is to negotiate the settlement of the Historic Claims for Whakatohea.

Entity Structure

Governed by a Board of Trustees made up of 15 members.
The composition of the Board is as follows:

- 1 representative from each Hapu (6)
- 1 representative from each Marae (8)
- 1 representative from the Whakatohea Maori Trust Board (1)

At balance date 1 marae was yet to appoint their representative to the Board.

Main Sources of Entity's Cash and Resources

Cash is derived solely from the Office of Treaty Settlements.

Main Methods Used by Entity to Raise Funds

The Trust does not actively fund raise.

Entity's Reliance on Volunteers and Donated Goods or Services

Minimal reliance is placed on koha such as donated goods & services.

Physical Address

122 St Johns Street
OPOTIKI 3122

Postal Address

PO Box 207
Opotiki 3162

Statement of Service Performance

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2021

'What did we do?', 'When did we do it?'

Description of Entity's Outcomes

- To successfully negotiate a Deed of Settlement with the Crown.
- To present an initial Deed of Settlement to the Adult Members of Whakatohea for ratification.
- To develop and initiate a Post Settlement Governance Entity (PSGE) structure.

Description and Quantification of the Entity's Outputs

The Trust is currently in the negotiation stage of the settlement process.

The follow task have been achieved or currently in progress:

- Historical Account - Close to completion. Just a review of a few remaining chapters and consideration of Eminent Historian to review (2020: in progress).
- Translation of Historical Account - Commenced (2020: nil).
- Background section for Deed of Settlement - Complete (2020: in progress).
- PSGE Structure and Name - Complete (2020: in progress).
- Trust Deed for PSGE - Complete (2020: in progress).
- Place name changes - Complete (2020: in progress).
- Valuations - Negotiations with Crown and Valuer - Complete (2020: in progress).
- Property Disclosures - Reviewed - Complete (2020: in progress).
- Right of first refusal/over lapping interest - Completed with Ngai Tai, Te Whanau a Kai, Te Aitanga a Mahaki and Ngati Awa. On going with Tuhoe (2020: in progress).
- Statutory acknowledgements - Completed (2020: in progress).
- Relationship Agreements - Completed, 24 Crown Agencies to be included in settlement legislation (2020: in progress).
- Natural resources/CMS chapter - discussions complete (2020: in progress).

To complete the above workstreams meetings, discussion forums and workshops through were held throughout the reporting year. These are made up as follows:

	2021	2020
Meeting & Hui		
Whakatōhea Pre: Settlement Claims Trust Meetings	29	25
Komiti Whiriwhiri Hitori Meetings	20	3
Iwi Neighbours Hui	17	2
Te Roopu Awhina Meetings	9	17
WPCT report back to Taumata Kaumatua	5	-
Hui ā rohe rounds	2	2
Hui ā Iwi	2	2
Minister Little Visit	1	-
Meeting with Ngāti Rangiwewehi	1	-

Additional Information

Based on the latest Claimant Funding Matrix from Office of Treaty Settlements (OTS) dated 30 September 2021 the Trust has been allocated total funding of \$3.7m, has spent \$3.3m and have \$400k remaining.

Statement of Financial Performance

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2021

'How was it funded?' and 'What did it cost?'

	NOTES	2021	2020
Revenue			
Claimant Funding		896,797	544,631
Koha		15,000	20,000
Total Revenue		911,797	564,631
Expenses			
Volunteer and employee related costs	1	382,279	280,232
Costs related to providing goods or services	1	435,829	328,935
Total Expenses		818,108	609,166
(Deficit)/Surplus for the Year		93,689	(44,536)

These financial statements should be read in conjunction with the notes to the Performance Report and accompanying Auditor's Report.

Statement of Financial Position

Whakatohea Pre-Settlement Claims Trust As at 30 June 2021

'What the entity owns?' and 'What the entity owes?'

	NOTES	30 JUN 2021	30 JUN 2020
Assets			
Current Assets			
Bank accounts and cash		18,258	19,929
Debtors and prepayments		119,671	-
Total Current Assets		137,928	19,929
Total Assets		137,928	19,929
Liabilities			
Current Liabilities			
Accounts payables		99,780	75,706
Employee costs payable		1,068	832
Total Current Liabilities		100,848	76,537
Total Liabilities		100,848	76,537
Total Assets less Total Liabilities (Net Liabilities)		37,080	(56,608)
Accumulated Funds			
Accumulated (deficits)	2	37,080	(56,608)
Total Accumulated Funds		37,080	(56,608)

These financial statements should be read in conjunction with the notes to the Performance Report and accompanying Auditor's Report

Statement of Cash Flows

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2021

'How the entity has received and used cash'

	2021	2020
Cash Flows from Operating Activities		
Receipts from Claimant Funding	792,126	616,631
Payments to suppliers	(793,797)	(612,881)
Total Cash Flows from Operating Activities	(1,671)	3,750
Net Increase/(Decrease) in Cash	(1,671)	3,750
Bank Accounts and Cash		
Opening cash	19,929	16,179
Closing cash	18,258	19,929
Net change in cash for period	(1,671)	3,750

These financial statements should be read in conjunction with the notes to the Performance Report and accompanying Auditor's Report.

Statement of Accounting Policies

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2021

'How did we do our accounting?'

Basis of Preparation

The entity has elected to apply Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) (PBE SFR-A (NFP)) on the basis that it does not have public accountability and has total annual expenses equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting.

Going Concern

The entity is a pre-settlement trust and as such is not intended to operate beyond settlement. The going concern assumption has been applied in the preparation of the Performance Report on the basis that the Trustees do not expect that settlement will be reached and the Trust wound up within 12 months of the date of this Performance Report. The Trust is reliant on funding from the Office of Treaty Settlements (OTS) and funding is negotiated and secured on a periodical basis.

The Trust's purpose and function of mandate is to achieve settlement for Whakatōhea. Based on the latest Claimant Funding Matrix from OTS dated 30 September 2021 the Trust has been allocated total funding of \$3.7m, has spent \$3.3m and have \$400k remaining. The Trust is entitled to seek further allocation as the mandated entity for Whakatōhea Settlement negotiations. Based on this, the Trustees believe funding will be secured and the Trust will continue to operate into the foreseeable future.

Goods and Services Tax (GST)

Transactions are reported exclusive of GST except for Office of Treaty Settlements Claimant Funding which is not subject to GST. The Trust is GST Exempt.

Income Tax

Whakatohea Pre-Settlement Claims Trust is wholly exempt from New Zealand income tax having fully complied with all statutory conditions for these exemptions.

Bank Accounts and Cash

Bank accounts and cash in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

Changes in Accounting Policies

There have been no changes in accounting policies. All accounting policies have been applied consistently throughout the entire year.

Notes to the Performance Report

Whakatohea Pre-Settlement Claims Trust For the year ended 30 June 2021

	2021	2020
1. Analysis of Expenses		
Volunteer and employee related costs		
Project Manager - Arihia Tuoro	82,800	55,200
Negotiation Expenses	275,599	201,512
Trustee Meeting Fees	23,880	23,520
Total Volunteer and employee related costs	382,279	280,232
Costs related to providing goods or services		
Domain Name - iTCO SOLUTIONS	58	-
Whare PR/Village Limited	274,458	106,495
Domain Name - C2DEV Limited	-	641
Hui a Iwi	4,973	8,174
Hui a Rohe	35,631	49,399
Mataatua Regional Kapa Haka 2020	-	150
Accounting Fees	1,984	1,724
Audit Fees	5,182	7,259
General Koha	2,278	-
Administration	57,077	58,586
Advertising/Advertorials	229	674
Annual General Meeting (AGM) Costs	-	6,703
Bank Fees	122	75
Communication Consultancy - Campbell Squared	-	26,990
Trustee Election Expenses	-	18,994
General Expenses	282	-
Office Expenses	168	290
Iwi Panui/Newsletters/Mail Outs/Surveys	23,248	16,227
Photocopying Charges	23,931	20,926
Rent/Office Space/Room Usage	6,210	5,592
Domain Name - J V Systems	-	35
Total Costs related to providing goods or services	435,829	328,935

	2021	2020
2. Accumulated Funds/(Deficit)		
Opening deficit	(56,608)	(12,073)
Current year earnings/(deficit)	93,689	(44,536)
Total Accumulated Funds/(Deficit)	37,080	(56,608)

3. Contingent Liabilities and Guarantees

There are no contingent liabilities or guarantees as at 30 June 2021.

	2021	2020
4. Related Parties		
Expenses		
Whakatohea Maori Trust Board		
Photocopying Charges	23,931	20,926
Administration & Secretarial Support Services	56,373	57,882
Accountancy - WMTB, Xero (Accounting Package)	704	704
Rent/Office Space/Room Usage	6,210	5,592
Total Whakatohea Maori Trust Board	87,217	85,104
Trustee Fees (refer below)	23,880	23,520
Total Expenses	111,097	108,624

Whakatohea Maori Trust Board - This entity is the current legal entity which manages the financial interests of the Whakatohea Iwi. The Trust Board (WMTB) holds one seat on the Whakatohea Pre-Settlement Claims Trust.

The WMTB is contracted to provide accountancy, secretarial and administration services. The WPSCT also leases office space from the WMTB.

Trustee Fees - The composition of trustee fees paid for the period are as follows:

TRUSTEE	2021		2020	
	No# of Meetings	\$	No# of Meetings	\$
Robert Edwards	22	2,640	18	2,160
Mereaira Hata	0	0	3	360
Kate Hudson	12	1,440	10	1,200
Muriwai Kahaki	7	840	15	1,800
Erin Moore	22	2,640	18	2,160
Parehuia Mafi	11	1,320	12	1,440
David Ngatai	19	2,280	15	1,800
Mana Pirihi	1	120	10	1,200
Bruce Pukepuke	12	1,440	6	720
Graeme Riesterer	22	2,640	18	2,160
Tahu Taia	19	2,280	16	1,920
Linda Grave	11	1,320	18	2,160
Anau Apanui	14	1,680	12	1,440
Audrey Renata	15	1,800	12	1,440
Jason Kurei	12	1,440	13	1,560
TOTAL		23,880		23,520

5. Events After the Balance Date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report.

6. Contributions in Kind

During the year there were a number of groups and individuals who provided services at no cost to the trust. The Trustees would like to thank and acknowledge the following groups and individuals for their services and efforts they provided in kind:

- Negotiators
- Project Manager
- Komiti Whiriwhiri Hitori

- Taumata Kaumatua
- Te Roopu Awhina Working Groups
- WMTB